

RECORDATION NO. 14479-F FILED

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SURFACE TRANSPORTATION BOARD

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

OF COUNSEL  
URBAN A. LESTER

September 26, 2003

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease, dated as of August 18, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Lease of Railroad Equipment which was previously filed with the Commission under Recordation Number 14479.

The names and addresses of the parties to the enclosed document are:

Lessor: Atel Leasing Corporation  
600 California Street, 6<sup>th</sup> Floor  
San Francisco, California 94108

Lessee: Consolidated Rail Corporation  
2000 Market Street  
Philadelphia, PA 19101

Mr. Vernon A. Williams  
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A description of the railroad equipment covered by the enclosed document is:

(i) 194 Ballast cars: CR 56549 – CR 56748, excluding CR 56567, 56589, 56603, 56636, 56679 and 56693, and (ii) 184 mill gondola cars within the series CR 582265 – CR 582598 as more particularly set forth in the exhibit attached to the document.

A short summary of the document to appear in the index is:

Memorandum of Lease.

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm  
Enclosures

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**MEMORANDUM OF LEASE**

**SURFACE TRANSPORTATION BOARD**

This **MEMORANDUM OF LEASE** is effective as of August 18, 2003, between **ATEL LEASING CORPORATION**, a California corporation, with its principal office at 600 California Street, 6<sup>th</sup> Floor, San Francisco, California 94108, as successor in interest to US Bank National Association ("US Bank"), as successor in interest to State Street Bank and Trust Company of Connecticut, National Association, not in its individual capacity but solely as Trustee ("Trustee" or "Lessor") under a Trust Agreement (Conrail Trust 84-1) dated as of November 15, 1984 ("Trust Agreement") between Trustee and ATEL Capital Equipment Fund VIII, LLC, as successor in interest to IBM Credit Corporation, as Owner, ("ATEL"), and **CONSOLIDATED RAIL CORPORATION**, a Pennsylvania corporation, with its principal office at 2001 Market Street, Philadelphia, PA 19103 ("Lessee").

**WITNESSETH**

Lessor's predecessor and Lessee entered into a Lease of Railroad Equipment dated as of November 15, 1984 ("Lease") which was recorded with the Interstate Commerce Commission on November 20, 1984 and assigned Recordation Number 14479 which covered 200 ballast cars CR 56549-56748 and 336 mill gondola cars, CR 582264-5826599 (together, the "Railcars"), which Lease was amended by Amendment Agreement in respect of Lease of Railroad Equipment dated as of August 3, 1998 which was recorded with the Surface Transportation Board on February 10, 1999 and assigned Recordation Number 14479-C which Amendment Agreement permitted the sublease of the Railcars to CSX Transportation, Inc. ("CSX") and Norfolk Southern Railway Company ("NS"), among other sublessees.

The Lease was extended for five (5) years with respect to (i) 194 ballast cars, CR 56549-56748 excluding CR 56567, 56589, 56679, 56603, 56636 and 56693, subleased by Lessee to CSX and (ii) 184 mill gondolas CR 582265-582598, N.S. (see Attachment A) subleased by Lessee to NS, from January 2, 2003 through and including January 1, 2008 by that certain Second Amendment to Lease of Railroad Equipment entered into as of December 30, 2002 and was further amended by Third Amendment to Lease of Railroad Equipment entered into as of August 18, 2003.

This Memorandum of Lease has been executed and delivered by the parties for the purpose of recording and giving notice of the extension of the term of the Lease.

IN WITNESS WHEREOF, Trustee and Lessee have executed this instrument as of the date first above written.

**ATEL LEASING CORPORATION**

By: [Signature]

Name: Barbara K. Clark

Title: Executive Vice President

**CONSOLIDATED RAIL CORPORATION**

By: [Signature]

Name: JOSEPH W. ROGERS

Title: VICE PRESIDENT FINANCE

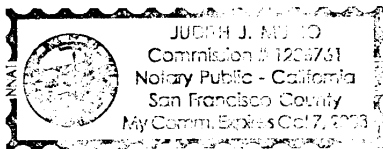
**ATEL LEGAL DEPARTMENT  
APPROVED  
AS TO FORM**

BY: KBG

(STATE OF CALIFORNIA)  
) ss  
(COUNTY OF SAN FRANCISCO)

On this 19<sup>th</sup> day of September, 2003, before me personally appeared Pavlosh K. Croksi, to me personally known, who being duly sworn, did depose and say that such person is Executive Vice President of ATEL Leasing Corporation and that the foregoing Memorandum of Lease was signed on behalf of said corporation by authority of its Board of Directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.

(seal)



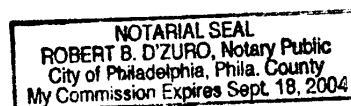
[Signature]  
Notary Public

(STATE OF PENNSYLVANIA)  
) ss  
(COUNTY OF PHILADELPHIA)

On this 15<sup>th</sup> day of September, 2003, before me personally appeared Joseph W. Rogers, to me personally known, who being duly sworn, did depose and say that such person is Vice President Finance of Consolidated Rail Corporation and that the foregoing Memorandum of Lease was signed on behalf of said corporation by authority of its Board of Directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of such corporation.

(seal)

Robert B. D'Zuro  
Notary Public



ATEL LEGAL DEPARTMENT  
APPROVED  
AS TO FORM  
BY: KBG

**Attachment "A"**

GONDOLA CARS TO FIRST AMENDMENT TO LEASE OF RAILROAD EQUIPMENT DATED NOVEMBER 15, 1984  
(52 FOOT 100-TON MILL GONDOLAS)

No.	Car Mark	No.	Car Mark	No.	Car Mark	No.	Car Mark
1	CR 582265	51	CR 582348	101	CR 582436	151	CR 582533
2	CR 582267	52	CR 582349	102	CR 582437	152	CR 582535
3	CR 582269	53	CR 582351	103	CR 582438	153	CR 582536
4	CR 582271	54	CR 582352	104	CR 582441	154	CR 582540
5	CR 582275	55	CR 582353	105	CR 582445	155	CR 582541
6	CR 582276	56	CR 582355	106	CR 582446	156	CR 582543
7	CR 582277	57	CR 582357	107	CR 582447	157	CR 582544
8	CR 582278	58	CR 582359	108	CR 582450	158	CR 582546
9	CR 582281	59	CR 582362	109	CR 582452	159	CR 582547
10	CR 582283	60	CR 582363	110	CR 582453	160	CR 582548
11	CR 582284	61	CR 582365	111	CR 582454	161	CR 582550
12	CR 582286	62	CR 582372	112	CR 582455	162	CR 582553
13	CR 582288	63	CR 582373	113	CR 582456	163	CR 582554
14	CR 582289	64	CR 582376	114	CR 582463	164	CR 582556
15	CR 582290	65	CR 582377	115	CR 582464	165	CR 582558
16	CR 582291	66	CR 582378	116	CR 582467	166	CR 582560
17	CR 582293	67	CR 582379	117	CR 582468	167	CR 582565
18	CR 582296	68	CR 582381	118	CR 582472	168	CR 582566
19	CR 582300	69	CR 582382	119	CR 582473	169	CR 582572
20	CR 582303	70	CR 582386	120	CR 582474	170	CR 582573
21	CR 582304	71	CR 582387	121	CR 582475	171	CR 582574
22	CR 582305	72	CR 582388	122	CR 582476	172	CR 582576
23	CR 582306	73	CR 582389	123	CR 582478	173	CR 582577
24	CR 582307	74	CR 582390	124	CR 582479	174	CR 582578
25	CR 582309	75	CR 582391	125	CR 582483	175	CR 582581
26	CR 582310	76	CR 582392	126	CR 582484	176	CR 582582
27	CR 582312	77	CR 582394	127	CR 582485	177	CR 582584
28	CR 582313	78	CR 582396	128	CR 582486	178	CR 582585
29	CR 582315	79	CR 582397	129	CR 582487	179	CR 582586
30	CR 582316	80	CR 582398	130	CR 582494	180	CR 582587
31	CR 582318	81	CR 582399	131	CR 582496	181	CR 582590
32	CR 582319	82	CR 582400	132	CR 582497	182	CR 582596
33	CR 582322	83	CR 582404	133	CR 582498	183	CR 582597
34	CR 582323	84	CR 582406	134	CR 582499	184	CR 582598
35	CR 582324	85	CR 582408	135	CR 582501		
36	CR 582326	86	CR 582411	136	CR 582503		
37	CR 582327	87	CR 582412	137	CR 582504		
38	CR 582329	88	CR 582413	138	CR 582511		
39	CR 582331	89	CR 582414	139	CR 582512		
40	CR 582332	90	CR 582415	140	CR 582513		
41	CR 582333	91	CR 582416	141	CR 582514		
42	CR 582336	92	CR 582421	142	CR 582515		
43	CR 582337	93	CR 582422	143	CR 582517		
44	CR 582338	94	CR 582423	144	CR 582518		
45	CR 582340	95	CR 582425	145	CR 582519		
46	CR 582342	96	CR 582428	146	CR 582521		
47	CR 582343	97	CR 582429	147	CR 582522		
48	CR 582344	98	CR 582432	148	CR 582523		
49	CR 582345	99	CR 582433	149	CR 582524		
50	CR 582346	100	CR 582434	150	CR 582528		